

(7) **OTHER REQUIREMENTS.** All loans made to builders of homes on the security of fully-improved lots shall be supported by the following documents:

(a) Name of applicant. If the applicant is a corporation, the names of the officers and shareholders of the corporation.

(b) A financial statement of the applicant to determine that the applicant has the necessary financial ability to undertake and pay off the loan obligation.

(c) A written credit report on the applicant. If the applicant is a corporation, a written credit report on the corporation, its officers and principal shareholders.

(d) A survey of the subdivision plat wherein the lots are properly identified.

(e) A statement of the applicant showing:

1. Date on which the lots were or will be purchased.
2. The cost of the lots to the applicant.
3. The types of structures that will be erected on the lots and the price range of such homes when completed.

History: Cr. Register, January, 1964, No. 97, eff. 2-1-64.

S-L 18.15 FHA and GI loans. Mortgage loans, as authorized by subsection 215.21 (12), Wis. Stats., which are insured or guaranteed wholly or in part under The National Housing Act, approved June 27, 1934, or The Servicemen's Readjustment Act of 1944, U.S.P.L. 346, shall be excluded from all restrictions, categories and classifications imposed by Ch. 215, Wis. Stats., and the Savings and Loan section of the Wis. Adm. Code. This exclusion is authorized by section 219.03, Wis. Stats.

History: Cr. Register, January, 1964, No. 97, eff. 2-1-64.

S-L 18.16 Other required records and documents. All state-chartered savings and loan associations, whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, shall maintain such other records and documents as required in the rules and regulations for insurance of accounts.

History: Cr. Register, January, 1964, No. 97, eff. 2-1-64.

S-L 18.17 Metropolitan area loans. (1) **DEFINITIONS.** For the purpose of this section, the following definitions apply:

(a) *Specified assets.* Specified assets of an association shall consist of total assets, less cash, U. S. Government obligations, Federal Home Loan Bank stock, prepaid Federal Savings and Loan Insurance premiums (if insured), loans secured by the institution's savings accounts, investments up to \$10,000 in savings accounts of other associations insured by the Federal Savings and Loan Insurance Corp., loans in process, and less 80% of the association's F.H.A. and V.A. loans.

(b) *Scheduled items.* Scheduled items of an association include:

1. Slow loans (other than F.H.A. or V.A.);
2. 20% of slow, F.H.A. or V.A. loans;
3. Real estate owned and in judgment, excluding real estate owned pending transfer to an insuring or guaranteeing federal agency and federally insured or guaranteed loans in judgment;
4. Real estate sold on contract, the principal unpaid balance of which exceed applicable lending limitations;

5. Investment securities upon which one or more interest payments due has not been paid; and

6. Deposits in closed financial institutions or those in possession of supervisory authorities.

(2) WHEN PERMITTED. Any association may make or purchase loans pursuant to the permissive authority of section 215.21 (28), Wis. Stats. of, at the close of its most recent semi-annual period, its scheduled items did not exceed 2.5% of its specified assets.

(3) LOCATION OF ORIGINATING OR SERVICING INSTITUTION. The main office or a branch office of the originating and servicing institution, or approved Federal Housing Administration mortgagee, must be located within the same metropolitan area as the real estate security.

(4) APPROVED FEDERAL HOUSING ADMINISTRATION MORTGAGEES. Any loan purchased from an approved Federal Housing Administration Mortgagee, shall be documented by said mortgagee showing:

a. That the mortgagee is a lender approved by the Federal Housing Administration, and

b. That the mortgagee has been continuously and principally engaged in originating and servicing loans for other lenders and investors for a period of at least 5 years.

(5) APPRAISAL REQUIREMENT. The security for each loan made or purchased, pursuant to section 215.21 (28), Wis. Stats., shall be appraised by an appraiser, designated by name in a resolution by the board of directors, in accordance with the provisions of Wis. Adm. Code section S-L 18.05 (1) (c). The association may accept the appraisal made for the approved Federal Housing Administration mortgagee, by resolution of the board of directors, specifically designating, by name, the appraiser who made the original appraisal.

(6) INELIGIBLE SECURITY FOR METROPOLITAN AREA LOANS. Subdivision loans and loans to builders on fully-improved residential lots, as defined in Wis. Adm. Code, sections S-L 18.01 (8) and (9), shall not be eligible security for metropolitan area loans.

(7) APPLICABILITY OF OTHER STATUTORY AND CODE PROVISIONS. All loans made or purchased under the permissive authority of section 215.21 (28), Wis. Stats., must conform to other applicable standards, requirements and restrictions as contained in ch. 215, Wis. Stats., and the Savings and Loan section (S-L) of the Wis. Adm. Code.

History: Cr. Register, November, 1965, No. 119, eff. 12-1-65.